MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2019/2020

BAC4684 – ERP SYSTEMS

(All sections/Groups)

12 MARCH 2020
2.30 pm – 5.30 pm
(3 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 3 pages with 4 Questions only.
2. Attempt **ALL** questions. The distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

Attempt **ALL** questions.

QUESTION 1

a. What is the silo effect? Why does it exist? What problems does it create? How can an organization reduce or eliminate the silo effect? (12 marks)

b. Discuss **THREE (3)** motivations for a company to implement an Enterprise Resource Planning (ERP) systems. (9 marks)

c. What is the difference between Inquiry and Quotation in sales order process? (4 marks)

(Total: 25 marks)

QUESTION 2

a. Identify and briefly explain the **FIVE (5)** benefits of implementing ERP Systems. (10 marks)

b.

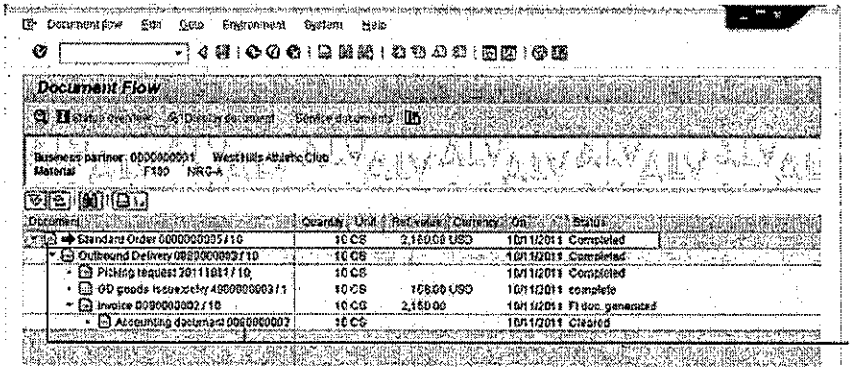
Document Flow
Standard Order 0000000005 / 10
Outbound Delivery 0080000002 / 10
Picking request 20111017 / 10
GD goods issue/activity 4900000003 / 1
Invoice 0090000002 / 10
Accounting document 0060000007

Figure above shows the document flow for a completed order which is one of the features provided by SAP ERP system. Explain the function of this screen and the reason behind the implementation of this feature by SAP ERP systems. (10 marks)

Continued ...

c. The Fitter Snacker company sold 6,435 cases of snack bars in June of the previous year. The company is expecting sales to increase by 4% this year. In addition, the company is launching a promotional campaign in May, which it expects sales will increase in June by an additional 500 cases. What is the sales forecast for June of this year that Fitter Snacker should use? (5 marks)

(Total: 25 marks)

QUESTION 3

a) Early information systems gathered data primarily for their own functional area (sales, production, payroll, etc.). Data sharing with accounting did not occur in "real time". Accountants and functional area clerks frequently had to do significant research to gather the data needed for reports. This had in turn created multiple operational and decision making issues.

Required:

i. Identify and describe **THREE (3)** problems associated with accounting and financial reporting in unintegrated information systems. (12 marks)

ii. Describe how ERP systems can solve accounting and financial reporting problems in an unintegrated system. (8 marks)

b) Figure below shows how tolerance group for users can be setup in SAP ERP System. Explain the importance of having this feature for an organization. (5 marks)

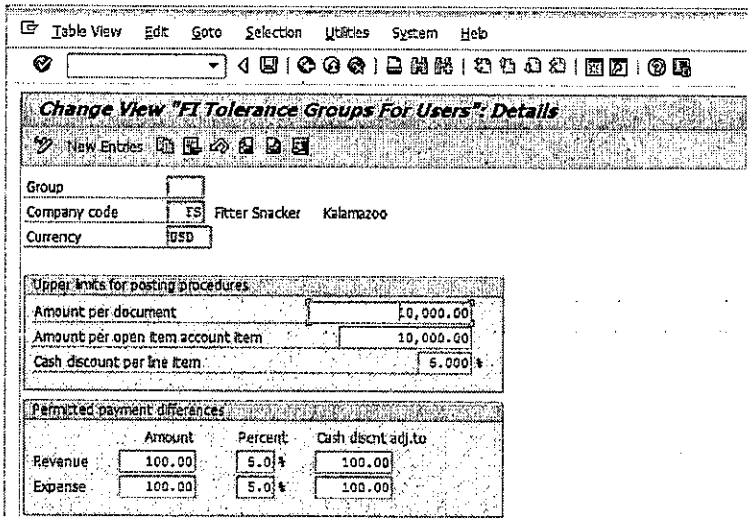
Table View Edit Goto Selection Utilities System Help
Change View "FI Tolerance Groups For Users": Details
New Entries
Group
Company code FS Fitter Snacker Kalamazoo
Currency USD
Upper limits for posting procedures
Amount per document 10,000.00
Amount per open item account item 10,000.00
Cash discount per line item 5.000 %
Permitted payment differences
Amount Percent Cash discnt adj.to
Revenue 100.00 5.0 % 100.00
Expense 100.00 5.0 % 100.00

(Total: 25 marks)

Continued ...

QUESTION 4

a. "There is no doubt that 1999 was the most difficult and disappointing year for Hershey Foods Corporation. While the year got off to a slow start due to excessive retail inventories, we fully expected a strong finish in the second half of the year. Instead, the implementation of the final phase of the Corporation's enterprise-wide information system created problems in the areas of customer's service, warehousing and order fulfillment. These difficulties were exacerbated by our growth in recent years which had resulted in shipping capacity constraints. As a result, Hershey's sales and earnings fell well short of expectation for the year."

- Kenneth L Wolfe, Chairman & CEO, Hershey Foods Corporation, in 1999.

This excerpt from former CEO of Hershey Food Corporation describes the failure of enterprise-wide information system implementation in a company. Assume you are a system consultant for Hershey, what would be your advice on **THREE (3)** critical success factors of ERP implementation. (15 marks)

b. Discuss **FIVE (5)** roles of Radio Frequency Identification technology in logistics and sales. (10 marks)

(Total: 25 marks)

End of Paper